

Initiative Measure No. 441

FILED

JUL 29 2009

SECRETARY OF STATE
STATE OF WASHINGTON

Vehicle Owners' Bill of Rights

AN ACT Relating to limiting government-imposed charges relating to motor vehicles; amending RCW 46.16.070, 46.01.140, 82.08.020, 46.16.237, 46.16.270, 81.104.160, 36.120.050, 43.135.055, 47.46.100, 47.46.090, 47.46.120, 47.56.785, 47.56.805, 47.56.810, 47.56.850, 47.56.078, 47.56.030, 47.56.830, and 47.56.790; reenacting and amending RCW 46.16.0621 and 46.16.233; adding a new section to chapter 81.112 RCW; creating new sections; and repealing RCW 46.17.010, 46.17.020, 82.44.035, 82.44.065, and 81.100.060.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

POLICIES AND PURPOSES

NEW SECTION. **Sec. 1.** Vehicle owners deserve respect. Vehicle owners' spending represents a huge portion of Washington's state and local economy, generating billions of dollars every year in tax, fee, toll, and other revenue. Vehicle owners are entitled to fair treatment. This measure establishes a vehicle owners' bill of rights to ensure that vehicle owners are treated fairly and

1 reasonable limits are set forth for vehicle-related charges. The
2 rights guaranteed by this act are:

3 (1) Vehicle owners have a right to \$30 tabs. Voters have
4 repeatedly approved \$30 tabs, yet politicians continually ignore the
5 voters' repeated, unambiguous mandate by unilaterally imposing
6 higher and higher vehicle taxes and fees to get around the voters'
7 clear intent. This measure limits various government-imposed
8 charges relating to motor vehicles.

9 (2) Vehicle owners have a right to vote on any increase in
10 government-imposed charges relating to motor vehicles.

11 (3) Vehicle owners have a right to representation when it comes
12 to tolls. Tolls must never be imposed by unelected bureaucrats; any
13 proposed toll must be introduced as a bill in the legislature, be
14 subject to cost analysis and public hearings in the house and
15 senate, and be approved by the legislature in a recorded vote (or be
16 subject to a vote of the people).

17 (4) Vehicle owners have a right to know that tolls will be
18 dedicated to the project they're paying for. Tolls on a project
19 must be spent on that project and may not be diverted and spent on
20 other things (or else tolls will have to be set artificially higher
21 - in addition, allowing tolls to be imposed on anyone and spent on
22 anything stops them from being tolls and makes them into de facto
23 taxes).

24 25 **VEHICLE OWNERS BILL OF RIGHTS #1:**

26 **\$30 TABS**

27
28 **Sec. 2.** RCW 46.16.0621 and 2003 c 1 s 2 and 2002 c 352 s 7
29 are each reenacted and amended to read as follows:

30 (1) ~~((License tab fees are required to be \$30 per year for~~
31 ~~motor vehicles, regardless of year, value, make, or model))~~ License
32 tab fees are set at \$25 per year for motor vehicles, regardless of

1 year, value, make, or model, subject to the requirements of this
2 section.

3 ~~(2) ((For the purposes of this section, "license tab fees" are~~
4 ~~defined as the general fees paid annually for licensing motor~~
5 ~~vehicles and trailers as defined in RCW 46.04.620 and 46.04.623,~~
6 ~~including cars, sport utility vehicles, motorcycles, and motor~~
7 ~~homes. Trailers licensed under RCW 46.16.068 or 46.16.085 and~~
8 ~~campers licensed under RCW 46.16.505 are not required to pay license~~
9 ~~tab fees under this section))~~ For the purposes of this section,
10 "license tab fees" are defined as the general fees paid annually for
11 licensing motor vehicles, including but not limited to cars, sport
12 utility vehicles, motorcycles, and motor homes. This fee shall be
13 paid and collected annually and is due at the time of initial and
14 renewal vehicle registration. Trailers licensed under RCW
15 46.16.068, 46.16.085, 46.04.620, or 46.04.623 and campers licensed
16 under RCW 46.16.505 are not required to pay license tab fees under
17 this section.

18 (3) In any jurisdiction which imposes a nonvoter-approved
19 vehicle fee after the effective date of this act, such as a
20 transportation benefit district under RCW 36.73.065 or 82.80.140,
21 license tab fees on a motor vehicle for a vehicle owner in that
22 jurisdiction shall be set at twenty-five dollars minus the amount(s)
23 of any nonvoter-approved vehicle fee(s) and minus any license tab
24 charge collected under RCW 46.16.076.

25 (4) Any increase in government-imposed charges relating to
26 motor vehicles may not take effect unless voters approve the
27 increase at an election.

28
29 **Sec. 3.** RCW 46.16.070 and 2005 c 314 s 204 are each amended
30 to read as follows:

31 (1) In lieu of all other vehicle licensing fees, unless
32 specifically exempt, and in addition to the mileage fees prescribed
33 for buses and stages in RCW 46.16.125, there shall be paid and

1 collected annually for each truck, motor truck, truck tractor, road
 2 tractor, tractor, bus, auto stage, or for hire vehicle with seating
 3 capacity of more than six, based upon the declared combined gross
 4 weight or declared gross weight under chapter 46.44 RCW, the
 5 following licensing fees by such gross weight:

7	WEIGHT	SCHEDULE A	SCHEDULE B
8	((4,000 lbs.))	\$ ((40.00))	\$ ((40.00))
9	<u>4,000 lbs.</u>	<u>25.00</u>	<u>25.00</u>
10	((6,000 lbs.))	\$ ((50.00))	\$ ((50.00))
11	<u>6,000 lbs.</u>	<u>25.00</u>	<u>25.00</u>
12	((8,000 lbs.))	\$ ((60.00))	\$ ((60.00))
13	<u>8,000 lbs.</u>	<u>25.00</u>	<u>25.00</u>
14	((10,000 lbs.))	\$ ((62.00))	\$ ((62.00))
15	<u>10,000 lbs.</u>	<u>25.00</u>	<u>25.00</u>
16	12,000 lbs.	79.00	79.00
17	14,000 lbs.	90.00	90.00
18	16,000 lbs.	102.00	102.00
19	18,000 lbs.	154.00	154.00
20	20,000 lbs.	171.00	171.00
21	22,000 lbs.	185.00	185.00
22	24,000 lbs.	200.00	200.00
23	26,000 lbs.	211.00	211.00
24	28,000 lbs.	249.00	249.00
25	30,000 lbs.	287.00	287.00
26	32,000 lbs.	346.00	346.00
27	34,000 lbs.	368.00	368.00
28	36,000 lbs.	399.00	399.00
29	38,000 lbs.	438.00	438.00
30	40,000 lbs.	501.00	501.00
31	42,000 lbs.	521.00	611.00
32	44,000 lbs.	532.00	622.00
33	46,000 lbs.	572.00	662.00
34	48,000 lbs.	596.00	686.00
35	50,000 lbs.	647.00	737.00
36	52,000 lbs.	680.00	770.00
37	54,000 lbs.	734.00	824.00
38	56,000 lbs.	775.00	865.00
39	58,000 lbs.	806.00	896.00
40	60,000 lbs.	859.00	949.00
41	62,000 lbs.	921.00	1011.00
42	64,000 lbs.	941.00	1031.00
43	66,000 lbs.	1048.00	1138.00
44	68,000 lbs.	1093.00	1183.00
45	70,000 lbs.	1177.00	1267.00
46	72,000 lbs.	1259.00	1349.00

1	74,000 lbs.	1368.00	1458.00
2	76,000 lbs.	1478.00	1568.00
3	78,000 lbs.	1614.00	1704.00
4	80,000 lbs.	1742.00	1832.00
5	82,000 lbs.	1863.00	1953.00
6	84,000 lbs.	1983.00	2073.00
7	86,000 lbs.	2104.00	2194.00
8	88,000 lbs.	2225.00	2315.00
9	90,000 lbs.	2346.00	2436.00
10	92,000 lbs.	2466.00	2556.00
11	94,000 lbs.	2587.00	2677.00
12	96,000 lbs.	2708.00	2798.00
13	98,000 lbs.	2829.00	2919.00
14	100,000 lbs.	2949.00	3039.00
15	102,000 lbs.	3070.00	3160.00
16	104,000 lbs.	3191.00	3281.00
17	105,500 lbs.	3312.00	3402.00

Schedule A applies to vehicles either used exclusively for hauling logs or that do not tow trailers. Schedule B applies to vehicles that tow trailers and are not covered under Schedule A.

Every truck, motor truck, truck tractor, and tractor exceeding ~~((6,000))~~ 10,000 pounds empty scale weight registered under chapter 46.16, 46.87, or 46.88 RCW shall be licensed for not less than one hundred fifty percent of its empty weight unless the amount would be in excess of the legal limits prescribed for such a vehicle in RCW 46.44.041 or 46.44.042, in which event the vehicle shall be licensed for the maximum weight authorized for such a vehicle or unless the vehicle is used only for the purpose of transporting any well drilling machine, air compressor, rock crusher, conveyor, hoist, donkey engine, cook house, tool house, bunk house, or similar machine or structure attached to or made a part of such vehicle.

The following provisions apply when increasing gross or combined gross weight for a vehicle licensed under this section:

(a) The new license fee will be one-twelfth of the fee listed above for the new gross weight, multiplied by the number of months remaining in the period for which licensing fees have been paid, including the month in which the new gross weight is effective.

(b) Upon surrender of the current certificate of registration or cab card, the new licensing fees due shall be reduced by the amount of the licensing fees previously paid for the same period for which new fees are being charged.

(2) The proceeds from the fees collected under subsection (1) of this section shall be distributed in accordance with RCW 46.68.035.

(3) In lieu of the gross weight fee under subsection (1) of this section, farm vehicles may be licensed upon payment of the fee in effect under subsection (1) of this section on May 1, 2005. In order to qualify for the reduced fee under this subsection, the farm vehicle must be exempt from property taxes in accordance with RCW 84.36.630. The applicant must submit copies of the forms required under RCW 84.36.630. The application for the reduced fee under this subsection shall require the applicant to attest that the vehicle shall be used primarily for farming purposes. The department shall

provide licensing agents and subagents with a schedule of the appropriate licensing fees for farm vehicles.

Sec. 4. RCW 46.01.140 and 2005 c 343 s 1 are each amended to read as follows:

(1) The county auditor, if appointed by the director of licensing shall carry out the provisions of this title relating to the licensing of vehicles and the issuance of vehicle license number plates under the direction and supervision of the director and may with the approval of the director appoint assistants as special deputies and recommend subagents to accept applications and collect fees for vehicle licenses and transfers and to deliver vehicle license number plates.

(2) A county auditor appointed by the director may request that the director appoint subagencies within the county.

(a) Upon authorization of the director, the auditor shall use an open competitive process including, but not limited to, a written business proposal and oral interview to determine the qualifications of all interested applicants.

(b) A subagent may recommend a successor who is either the subagent's sibling, spouse, or child, or a subagency employee, as long as the recommended successor participates in the open, competitive process used to select an applicant. In making successor recommendation and appointment determinations, the following provisions apply:

(i) If a subagency is held by a partnership or corporate entity, the nomination must be submitted on behalf of, and agreed to by, all partners or corporate officers.

(ii) No subagent may receive any direct or indirect compensation or remuneration from any party or entity in recognition of a successor nomination. A subagent may not receive any financial benefit from the transfer or termination of an appointment.

(iii) (a) and (b) of this subsection are intended to assist in the efficient transfer of appointments in order to minimize public inconvenience. They do not create a proprietary or property interest

in the appointment.

(c) The auditor shall submit all proposals to the director, and shall recommend the appointment of one or more subagents who have applied through the open competitive process. The auditor shall include in his or her recommendation to the director, not only the name of the successor who is a relative or employee, if applicable and if otherwise qualified, but also the name of one other applicant who is qualified and was chosen through the open competitive process. The director has final appointment authority.

(3)(a) A county auditor who is appointed as an agent by the department shall enter into a standard contract provided by the director, developed with the advice of the title and registration advisory committee.

(b) A subagent appointed under subsection (2) of this section shall enter into a standard contract with the county auditor, developed with the advice of the title and registration advisory committee. The director shall provide the standard contract to county auditors.

(c) The contracts provided for in (a) and (b) of this subsection must contain at a minimum provisions that:

(i) Describe the responsibilities, and where applicable, the liability, of each party relating to the service expectations and levels, equipment to be supplied by the department, and equipment maintenance;

(ii) Require the specific type of insurance or bonds so that the state is protected against any loss of collected motor vehicle tax revenues or loss of equipment;

(iii) Specify the amount of training that will be provided by the state, the county auditor, or subagents;

(iv) Describe allowable costs that may be charged to vehicle licensing activities as provided for in (d) of this subsection;

(v) Describe the causes and procedures for termination of the contract, which may include mediation and binding arbitration.

(d) The department shall develop procedures that will standardize and prescribe allowable costs that may be assigned to

vehicle licensing and vessel registration and title activities performed by county auditors.

(e) The contracts may include any provision that the director deems necessary to ensure acceptable service and the full collection of vehicle and vessel tax revenues.

(f) The director may waive any provisions of the contract deemed necessary in order to ensure that readily accessible service is provided to the citizens of the state.

(4)(a) At any time any application is made to the director, the county auditor, or other agent pursuant to any law dealing with licenses, registration, or the right to operate any vehicle or vessel upon the public highways or waters of this state, excluding applicants already paying such fee under RCW 46.16.070 or 46.16.085, the applicant shall pay to the director, county auditor, or other agent a fee of (~~((three))~~) five dollars for each application in addition to any other fees required by law.

(b) Counties that do not cover the expenses of vehicle licensing and vessel registration and title activities may submit to the department a request for cost-coverage moneys. The request must be submitted on a form developed by the department. The department shall develop procedures to verify whether a request is reasonable. Payment shall be made on requests found to be allowable from the licensing services account.

(c) Applicants for certificates of ownership, including applicants paying fees under RCW 46.16.070 or 46.16.085, shall pay to the director, county auditor, or other agent a fee of four dollars in addition to any other fees required by law.

(d) The fees under (a) and (c) of this subsection, if paid to the county auditor as agent of the director, or if paid to a subagent of the county auditor, shall be paid to the county treasurer in the same manner as other fees collected by the county auditor and credited to the county current expense fund. If the fee is paid to another agent of the director, the fee shall be used by the agent to defray his or her expenses in handling the application.

(e) Applicants required to pay the (~~((three-dollar))~~) five-dollar

fee established under (a) of this subsection, must (~~pay an additional~~) have seventy-five cents (~~(, which must be collected and)~~) of that fee remitted to the state treasurer and distributed as follows:

(i) Fifty cents must be deposited into the department of licensing services account of the motor vehicle fund and must be used for agent and subagent support, which is to include but not be limited to the replacement of department-owned equipment in the possession of agents and subagents.

(ii) Twenty-five cents must be deposited into the license plate technology account created under RCW 46.16.685.

(5) A subagent shall collect a service fee of (a) ten dollars for changes in a certificate of ownership, with or without registration renewal, or verification of record and preparation of an affidavit of lost title other than at the time of the title application or transfer and (b) four dollars for registration renewal only, issuing a transit permit, or any other service under this section.

(6) If the fee is collected by the state patrol as agent for the director, the fee so collected shall be certified to the state treasurer and deposited to the credit of the state patrol highway account. If the fee is collected by the department of transportation as agent for the director, the fee shall be certified to the state treasurer and deposited to the credit of the motor vehicle fund. All such fees collected by the director or branches of his office shall be certified to the state treasurer and deposited to the credit of the highway safety fund.

(7) Any county revenues that exceed the cost of providing vehicle licensing and vessel registration and title activities in a county, calculated in accordance with the procedures in subsection (3)(d) of this section, shall be expended as determined by the county legislative authority during the process established by law for adoption of county budgets.

(8) The director may adopt rules to implement this section.

NEW SECTION. **Sec. 5.** The following acts or parts of acts are each repealed:

(1) RCW 46.17.010 (Vehicle weight fee--Motor vehicles, except motor homes) and 2006 c 337 s 9 & 2005 c 314 s 201; and

(2) RCW 46.17.020 (Vehicle weight fee--Motor homes) and 2005 c 314 s 202.

Sec. 6. RCW 82.08.020 and 2009 c 469 s 802 are each amended to read as follows:

(1) There is levied and there shall be collected a tax on each retail sale in this state equal to six and five-tenths percent of the selling price.

(2) There is levied and there shall be collected an additional tax on each retail car rental, regardless of whether the vehicle is licensed in this state, equal to five and nine-tenths percent of the selling price. The revenue collected under this subsection shall be deposited in the multimodal transportation account created in RCW 47.66.070.

~~(3) ((Beginning July 1, 2003, there is levied and collected an additional tax of three tenths of one percent of the selling price on each retail sale of a motor vehicle in this state, other than retail car rentals taxed under subsection (2) of this section. The revenue collected under this subsection shall be deposited in the multimodal transportation account created in RCW 47.66.070.~~

~~(4) For purposes of subsection (3) of this section, "motor vehicle" has the meaning provided in RCW 46.04.320, but does not include farm tractors or farm vehicles as defined in RCW 46.04.180 and 46.04.181, off road and nonhighway vehicles as defined in RCW 46.09.020, and snowmobiles as defined in RCW 46.10.010.~~

~~(5))~~ Beginning on December 8, 2005, 0.16 percent of the taxes collected under subsection (1) of this section shall be dedicated to funding comprehensive performance audits required under RCW 43.09.470. The revenue identified in this subsection shall be deposited in the performance audits of government account created in RCW 43.09.475.

~~((46))~~ (4) The taxes imposed under this chapter shall apply to successive retail sales of the same property.

~~((47))~~ (5)(a) Until January 1, 2011, ~~((the tax imposed in subsection (3) of this section and))~~ the dedication of revenue provided for in subsection ~~((5))~~ (3) of this section~~((, do))~~ does not apply with respect to the sales of new passenger cars, light duty trucks, and medium duty passenger vehicles, which utilize hybrid technology and have a United States environmental protection agency estimated highway gasoline mileage rating of at least forty miles per gallon.

(b) As used in this subsection, "hybrid technology" means propulsion units powered by both electricity and gasoline.

~~((8))~~ (6) The rates provided in this section apply to taxes imposed under chapter 82.12 RCW as provided in RCW 82.12.020.

(7) Sales taxes levied and collected under subsection (1) of this section from the sale of a motor vehicle shall be reduced by the amount of fees, if any, charged under RCW 46.70.180.

Sec. 7. RCW 46.16.233 and 2003 c 361 s 501 and 2003 c 196 s 401 are each reenacted and amended to read as follows:

(1) Except for those license plates issued under RCW 46.16.305(1) before January 1, 1987, under RCW 46.16.305(3), and to commercial vehicles with a gross weight in excess of twenty-six thousand pounds, effective with vehicle registrations due or to become due on January 1, 2001, the appearance of the background of all vehicle license plates may vary in color and design but must be legible and clearly identifiable as a Washington state license plate, as designated by the department. Additionally, to ensure maximum legibility and reflectivity, the department shall periodically provide for the replacement of license plates, except for commercial vehicles with a gross weight in excess of twenty-six thousand pounds. Frequency of replacement shall be established in accordance with empirical studies documenting the longevity of the reflective materials used to make license plates.

(2) Special license plate series approved by the special license plate review board created under RCW 46.16.705 and enacted by the legislature may display a symbol or artwork approved by the special license plate review board.

(3) By November 1, 2003, in providing for the periodic replacement of license plates, the department shall offer to vehicle owners the option of retaining their current license plate numbers. The department shall charge a retention fee of ~~((twenty dollars))~~ fifty cents if this option is exercised. Revenue generated from the retention fee must be deposited into the multimodal transportation account.

Sec. 8. RCW 46.16.237 and 2005 c 314 s 301 are each amended to read as follows:

All vehicle license number plates issued after January 1, 1968, or such earlier date as the director may prescribe with respect to plates issued in any county, shall be treated with fully reflectorized materials designed to increase the visibility and legibility of such plates at night. In addition to all other fees prescribed by law, there shall be paid and collected for each vehicle license number plate treated with such materials, the sum of ~~((two dollars))~~ fifty cents and for each set of two plates, the sum of ~~((four))~~ one dollar~~((s))~~. However, one plate is available only to those vehicles that by law require only one plate. Such fees shall be deposited in the motor vehicle fund.

Sec. 9. RCW 46.16.270 and 2005 c 314 s 302 are each amended to read as follows:

The total replacement plate fee shall be deposited in the motor vehicle fund.

Upon the loss, defacement, or destruction of one or both of the vehicle license number plates issued for any vehicle where more than one plate was originally issued or where one or both have become so illegible or in such a condition as to be difficult to distinguish, or upon the owner's option, the owner of the vehicle shall make

application for new vehicle license number plates upon a form furnished by the director. The application shall be filed with the director or the director's authorized agent, accompanied by the certificate of license registration of the vehicle and a fee in the amount of ~~((ten dollars))~~ fifty cents per plate, whereupon the director, or the director's authorized agent, shall issue new vehicle license number plates to the applicant. It shall be accompanied by a fee of two dollars for a new motorcycle license number plate. In the event the director has issued license period tabs or a windshield emblem instead of vehicle license number plates, and upon the loss, defacement, or destruction of the tabs or windshield emblem, application shall be made on a form provided by the director and in the same manner as above described, and shall be accompanied by a fee of one dollar for each pair of tabs or for each windshield emblem, whereupon the director shall issue to the applicant a duplicate pair of tabs, year tabs, and when necessary month tabs or a windshield emblem to replace those lost, defaced, or destroyed. For vehicles owned, rented, or leased by the state of Washington or by any county, city, town, school district, or other political subdivision of the state of Washington or United States government, or owned or leased by the governing body of an Indian tribe as defined in RCW 46.16.020, a fee shall be charged for replacement of a vehicle license number plate only to the extent required by the provisions of RCW 46.16.020, 46.16.237, and 46.01.140. For vehicles owned, rented, or leased by foreign countries or international bodies to which the United States government is a signatory by treaty, the payment of any fee for the replacement of a vehicle license number plate shall not be required.

Sec. 10. RCW 81.104.160 and 2009 c 280 s 4 are each amended to read as follows:

An agency and high capacity transportation corridor area may impose a sales and use tax solely for the purpose of providing high capacity transportation service, in addition to the tax authorized by RCW 82.14.030, upon retail car rentals within the applicable

jurisdiction that are taxable by the state under chapters 82.08 and 82.12 RCW. The rate of tax shall not exceed 2.172 percent. The base of the tax shall be the selling price in the case of a sales tax or the rental value of the vehicle used in the case of a use tax.

Any motor vehicle excise tax (~~((previously))~~) imposed under (~~((the provisions of RCW 81.104.160(1) shall be repealed, terminated and expire on December 5, 2002))~~) any previously existing version of this section is discontinued as provided in section 11 of this act.

NEW SECTION. **Sec. 11.** A new section is added to chapter 81.112 RCW to read as follows:

An authority must fully retire or defease any outstanding bonds by ninety days following the effective date of this act if: (1) The bonds have pledged the motor vehicle excise tax imposed under a previously existing version of RCW 81.104.160; and (2) the bonds, by virtue of the terms of the bond contract, covenants, or similar terms, may be defeased or retired early at the authority's discretion. To defease the outstanding bonds, the authority must set aside with a trustee or escrow agent and pledge for that purpose cash and/or nonmalleable government obligations sufficient to redeem and retire such bonds. The authority may use funds from the sale or liquidation of liquid assets, including cash reserves and short term investments and securities, and, if necessary, the sale of other assets. The pledged motor vehicle excise tax may not be collected after ninety days following the effective date of this act or the date the bonds have been fully retired or defeased, whichever occurs first.

NEW SECTION. **Sec. 12.** The following acts or parts of acts are repealed:

- (1) RCW 82.44.035 (Valuation of vehicles) and 2006 c 318 s 1;
- (2) RCW 82.44.065 (Appeal of valuation) and 2006 c 318 s 5 & 1990 c 42 s 305; and

(3) RCW 81.100.060 (Imposition of surcharge--Excise tax) and 2006 c 318 s 2, 2006 c 311 s 15, 2002 c 56 s 411, 1998 c 321 s 34 (Referendum Bill No. 49, approved November 3, 1998), 1992 c 194 s 12, 1991 c 363 s 154, & 1990 c 43 s 17.

Sec. 13. RCW 36.120.050 and 2008 c 122 s 16 are each amended to read as follows:

(1) A regional transportation investment district planning committee may, as part of a regional transportation investment plan, recommend the imposition or authorization of some or all of the following revenue sources, which a regional transportation investment district may impose or authorize upon approval of the voters as provided in this chapter:

(a) A regional sales and use tax, as specified in RCW 82.14.430, of up to 0.1 percent of the selling price, in the case of a sales tax, or value of the article used, in the case of a use tax, upon the occurrence of any taxable event in the regional transportation investment district;

(b) A local option vehicle license fee, as specified under RCW 82.80.100, of up to one hundred dollars per vehicle registered in the district. As used in this subsection, "vehicle" means motor vehicle as defined in RCW 46.04.320. Certain classes of vehicles, as defined under chapter 46.04 RCW, may be exempted from this fee;

(c) A parking tax under RCW 82.80.030;

(d) ~~((A local motor vehicle excise tax under RCW 81.100.060,~~
~~(+e)))~~ A local option fuel tax under RCW 82.80.120;

~~((+f)))~~ (e) An employer excise tax under RCW 81.100.030; and

~~((+g)))~~ (f) Vehicle tolls on new or reconstructed local or regional arterials or state routes within the boundaries of the district, if the following conditions are met:

(i) Consistent with RCW 47.56.820, the vehicle toll must first be authorized by the legislature if the toll is imposed on a state route;

(ii) Consistent with RCW 47.56.850, the vehicle toll, including any change in an existing toll rate, must first be reviewed and

approved by the tolling authority designated in RCW 47.56.850 if the toll, or change in toll rate, would have a significant impact, as determined by the tolling authority, on the operation of any state facility;

(iii) The regional transportation investment plan must identify the facilities that may be tolled; and

(iv) Unless otherwise specified by law, the department shall administer the collection of vehicle tolls on designated facilities, and the state transportation commission, or its successor, shall be the tolling authority, and shall act in accordance with RCW 47.56.850.

(2) Taxes, fees, and tolls may not be imposed or authorized without an affirmative vote of the majority of the voters within the boundaries of the district voting on a ballot proposition as set forth in RCW 36.120.070. Revenues from these taxes and fees may be used only to implement the plan as set forth in this chapter. A district may contract with the state department of revenue or other appropriate entities for administration and collection of any of the taxes or fees authorized in this section.

(3) Existing statewide motor vehicle fuel and special fuel taxes, at the distribution rates in effect on January 1, 2001, are not intended to be altered by this chapter.

VEHICLE OWNERS BILL OF RIGHTS #2:

THE RIGHT TO VOTE

NEW SECTION. **Sec. 14.** Any increase in government-imposed charges relating to motor vehicles may not take effect unless voters approve the increase at an election.

VEHICLE OWNERS' BILL OF RIGHTS #3:

TOLLS MAY NOT BE IMPOSED BY UNELECTED BUREAUCRATS

Sec. 15. RCW 43.135.055 and 2008 c 1 s 14 are each amended to read as follows:

(1) No fee may be imposed or increased in any fiscal year without prior legislative approval and must be subject to the accountability procedures required by RCW 43.135.031.

(2) This section does not apply to an assessment made by an agricultural commodity commission or board created by state statute or created under a marketing agreement or order under chapter 15.65 or 15.66 RCW, or to the forest products commission, if the assessment is approved by referendum in accordance with the provisions of the statutes creating the commission or board or chapter 15.65 or 15.66 RCW for approving such assessments.

(3) With regard to tolls, "without prior legislative approval" means that a new toll or an increase in an existing toll must be introduced as a bill in the legislature, be subject to a cost analysis and a public hearing in both the house and senate, and be approved by the legislature in an individual, stand-alone recorded vote (or be subject to a vote of the people).

(4) The people require the return of authority to impose or increase fees from unelected officials at state agencies to the duly elected representatives of the legislature or to the people. The people find that such increases must be debated openly and transparently and up-or-down votes taken by our elected representatives so the people are given the opportunity to hold them accountable at the next election.

Sec. 16. RCW 47.46.100 and 2002 c 114 s 7 are each amended to read as follows:

(1) The ~~((commission))~~ legislature, subject to the requirements of RCW 43.135.055, shall fix the rates of toll and other charges for all toll bridges built under this chapter that are financed primarily by bonds issued by the state. Subject to RCW 47.46.090, the ~~((commission))~~ legislature, subject to the requirements of RCW 43.135.055, may impose and modify toll charges from time to time as conditions warrant.

(2) In establishing toll charges, the ~~((commission))~~ legislature, subject to the requirements of RCW 43.135.055, shall

give due consideration to any required costs for operating and maintaining the toll bridge or toll bridges, including the cost of insurance, and to any amount required by law to meet the redemption of bonds and interest payments on them.

(3) The toll charges must be imposed in amounts sufficient to:

(a) Provide annual revenue sufficient to provide for annual operating and maintenance expenses, except as provided in RCW 47.56.245;

(b) Make payments required under RCW 47.56.165 and 47.46.140, including insurance costs and the payment of principal and interest on bonds issued for any particular toll bridge or toll bridges; and

(c) Repay the motor vehicle fund under RCW 47.46.110, 47.56.165, and 47.46.140.

(4) The bond principal and interest payments, including repayment of the motor vehicle fund for amounts transferred from that fund to provide for such principal and interest payments, constitute a first direct and exclusive charge and lien on all tolls and other revenues from the toll bridge concerned, subject to operating and maintenance expenses.

Sec. 17. RCW 47.46.090 and 2005 c 329 s 1 are each amended to read as follows:

(1) A citizen advisory committee must be created for any project developed under this chapter that imposes toll charges for use of a transportation facility. The governor shall appoint nine members to the committee, all of whom must be permanent residents of the affected project area as defined for each project. Members of the committee shall serve without compensation.

(2) The citizen advisory committee shall serve in an advisory capacity to the ~~((commission))~~ legislature, subject to the requirements of RCW 43.135.055, on all matters related to the imposition of tolls including, but not limited to, (a) the feasibility of providing discounts to frequent users, electronic transponder users, senior citizens, or students; (b) the tradeoff of lower tolls versus the early retirement of debt; and (c) a

consideration of variable, or time of day pricing.

(3) No toll charge may be imposed or modified unless the citizen advisory committee has been given ~~((at least twenty days))~~ reasonable opportunity to review and comment on any proposed toll charge schedule. In setting toll rates, the ~~((commission))~~ legislature, subject to the requirements of RCW 43.135.055, shall give consideration to any recommendations of the citizen advisory committee.

Sec. 18. RCW 47.46.120 and 2002 c 114 s 9 are each amended to read as follows:

~~((Pursuant to RCW 43.135.055, t))~~ The legislature authorizes the transportation commission to ~~((increase bridge tolls in excess of the fiscal growth factor))~~ provide recommendations to the legislature with regard to taxes, fees, tolls, or charges but under no circumstances may the unelected members of local and state agencies on the transportation commission have the authority or responsibility to determine, establish, set, or impose new tolls or charges or change existing tolls or charges.

Sec. 19. RCW 47.56.785 and 2008 c 270 s 4 are each amended to read as follows:

(1) Following the submission of the report required in section 6, chapter 270, Laws of 2008, the department may seek authorization from the legislature to collect tolls on the existing state route number 520 bridge or on a replacement state route number 520 bridge.

(2) The schedule of toll charges ~~((must))~~ may be ~~((established))~~ recommended by the transportation commission and collected in a manner ~~((determined))~~ recommended by the department, but the actual schedule and manner of collection must be set and established by the legislature, subject to the requirements of RCW 43.135.055.

Sec. 20. RCW 47.56.805 and 2008 c 122 s 1 are each amended to read as follows:

The legislature finds and declares that it is the policy of the state of Washington to use tolling to provide a source of transportation funding and to encourage effective use of the transportation system.

The legislature intends that the policy framework created by chapter 122, Laws of 2008 will guide subsequent legislation and decisions regarding the tolling of specific facilities and corridors. For each state-owned facility or corridor, the legislature intends that it will authorize the budget and finance plan. Specific issues that may be addressed in the finance plan and budget authorization legislation include the amount of financing required for a facility or corridor, the budget for any construction and operations financed by tolling, whether and how variable pricing will be applied, and the timing of tolling.

The legislature also intends that while the transportation commission ~~((, as the toll setting authority,))~~ may ~~((set))~~ recommend toll rates for facilities, corridors, or systems thereof, the legislature reserves the authority to establish and impose tolls on any state transportation route or facility, subject to the requirements of RCW 43.135.055. Similarly, local or quasi-local entities that retain the power to impose tolls may do so as long as the effect of those tolls on the state highway system is consistent with the policy guidelines detailed in chapter 122, Laws of 2008. If the imposition of tolls could have an impact on state facilities, the ~~((state tolling authority must review and))~~ legislature, subject to the requirements of RCW 43.135.055, must approve such tolls.

Sec. 21. RCW 47.56.810 and 2008 c 122 s 3 are each amended to read as follows:

The definitions in this section apply throughout this subchapter unless the context clearly requires otherwise:

(1) "Tolling authority" means the governing body that is legally empowered to review and adjust toll rates. ~~((Unless otherwise delegated, the transportation commission))~~ The legislature is the tolling authority for all state highways.

(2) "Eligible toll facility" or "eligible toll facilities" means portions of the state highway system specifically identified by the legislature including, but not limited to, transportation corridors, bridges, crossings, interchanges, on-ramps, off-ramps, approaches, bistate facilities, and interconnections between highways.

(3) "Toll revenue" or "revenue from an eligible toll facility" means toll receipts, all interest income derived from the investment of toll receipts, and any gifts, grants, or other funds received for the benefit of the eligible toll facility.

Sec. 22. RCW 47.56.850 and 2009 c 498 s 15 are each amended to read as follows:

(1) (~~((Unless these powers are otherwise delegated by the legislature, the transportation commission))~~) The legislature is the tolling authority for the state. The tolling authority shall:

(a) Set toll rates, establish appropriate exemptions, if any, and make adjustments as conditions warrant on eligible toll facilities;

(b) Review toll collection policies, toll operations policies, and toll revenue expenditures on the eligible toll facilities and report annually on this review to the (~~((legislature))~~) people.

(2) The tolling authority, in determining toll rates, shall consider the policy guidelines established in RCW 47.56.830.

(3) (~~((Unless otherwise directed by the legislature, i))~~) In setting and periodically adjusting toll rates, the tolling authority must ensure that toll rates will generate revenue sufficient to:

(a) Meet the operating costs of the eligible toll facilities, including necessary maintenance, preservation, renewal, replacement, administration, and toll enforcement by public law enforcement;

(b) Meet obligations for the timely payment of debt service on bonds issued for eligible toll facilities, and any other associated financing costs including, but not limited to, required reserves, minimum debt coverage or other appropriate contingency funding,

insurance, and compliance with all other financial and other covenants made by the state in the bond proceedings;

(c) Meet obligations to reimburse the motor vehicle fund for excise taxes on motor vehicle and special fuels applied to the payment of bonds issued for eligible toll facilities; and

(d) Meet any other obligations of the tolling authority to provide its proportionate share of funding contributions for any projects or operations of the eligible toll facilities.

(4) The established toll rates may include variable pricing, and should be set to optimize system performance, recognizing necessary trade-offs to generate revenue for the purposes specified in subsection (3) of this section. Tolls may vary for type of vehicle, time of day, traffic conditions, or other factors designed to improve performance of the system.

(5) In fixing and adjusting toll rates under this section, the only toll revenue to be taken into account must be toll revenue pledged to bonds that includes toll receipts, and the only debt service requirements to be taken into account must be debt service on bonds payable from and secured by toll revenue that includes toll receipts.

(6) The legislature pledges to appropriate toll revenue as necessary to carry out the purposes of this section. When the legislature has specifically identified and designated an eligible toll facility and authorized the issuance of bonds for the financing of the eligible toll facility that are payable from and secured by a pledge of toll revenue, the legislature further agrees for the benefit of the owners of outstanding bonds issued by the state for eligible toll facilities to continue in effect and not to impair or withdraw the authorization of the tolling authority to fix and adjust tolls as provided in this section. The state finance committee shall pledge the state's obligation to impose and maintain tolls, together with the application of toll revenue as described in this section, to the owners of any bonds.

Sec. 23. RCW 47.56.078 and 2008 c 122 s 12 are each amended to read as follows:

(1) Subject to the provisions under chapter 36.73 RCW, a transportation benefit district may authorize vehicle tolls on state routes or federal highways, city streets, or county roads, within the boundaries of the district, unless otherwise prohibited by law. The department of transportation shall administer the collection of vehicle tolls authorized on state routes or federal highways, unless otherwise specified in law or by contract, and the state transportation commission, or its successor, may approve, set, and impose the tolls in amounts sufficient to implement the district's transportation improvement finance plan. The district shall administer the collection of vehicle tolls authorized on city streets or county roads, and shall set and impose the tolls, only with approval of the (~~transportation commission~~) legislature, in amounts sufficient to implement the district's transportation improvement plan. Tolls may vary for type of vehicle, for time of day, for traffic conditions, and/or other factors designed to improve performance of the facility or the transportation network.

(2) Consistent with RCW 47.56.820, vehicle tolls must first be authorized and set by the legislature if the tolls are imposed on a state route.

(3) Consistent with RCW 47.56.850, vehicle tolls, including any change in an existing toll rate, must first be reviewed and approved by the tolling authority designated in RCW 47.56.850 if the tolls, or change in toll rate, would have a significant impact, as determined by the tolling authority, on the operation of any state facility.

VEHICLE OWNERS' BILL OF RIGHTS #4:

TOLLS ON A PROJECT MUST BE DEDICATED TO THAT PROJECT

Sec. 24. RCW 47.56.030 and 2008 c 122 s 8 are each amended to read as follows:

(1) Except as permitted under chapter 47.29 or 47.46 RCW:

(a) Unless otherwise delegated, and subject to RCW 47.56.820, the department of transportation shall have full charge of the planning, analysis, and construction of all toll bridges and other toll facilities including the Washington state ferries, and the operation and maintenance thereof.

(b) The ~~((transportation commission))~~ legislature, subject to the requirements of RCW 43.135.055 shall determine and establish the tolls and charges thereon. Except for Washington state ferries toll facilities, revenue from tolls or charges on a highway, freeway, road, bridge, or street may only be used for the cost of construction, operation, or maintenance of toll facilities and capital improvements to that particular highway, freeway, road, bridge, or street.

(c) Unless otherwise delegated, and subject to RCW 47.56.820, the department shall have full charge of planning, analysis, and design of all toll facilities. The department may conduct the planning, analysis, and design of toll facilities as necessary to support the legislature's consideration of tolls ~~((authorization))~~.

(d) The department shall utilize and administer toll collection systems that are simple, unified, and interoperable. To the extent practicable, the department shall avoid the use of toll booths. The department shall set the statewide standards and protocols for all toll facilities within the state, including those authorized by local authorities.

(e) Except as provided in this section, the department shall proceed with the construction of such toll bridges and other facilities and the approaches thereto by contract in the manner of state highway construction immediately upon there being made available funds for such work and shall prosecute such work to completion as rapidly as practicable. The department is authorized to negotiate contracts for any amount without bid under (e)(i) and (ii) of this subsection:

(i) Emergency contracts, in order to make repairs to ferries or ferry terminal facilities or removal of such facilities whenever

continued use of ferries or ferry terminal facilities constitutes a real or immediate danger to the traveling public or precludes prudent use of such ferries or facilities; and

(ii) Single source contracts for vessel dry dockings, when there is clearly and legitimately only one available bidder to conduct dry dock-related work for a specific class or classes of vessels. The contracts may be entered into for a single vessel dry docking or for multiple vessel dry dockings for a period not to exceed two years.

(2) The department shall proceed with the procurement of materials, supplies, services, and equipment needed for the support, maintenance, and use of a ferry, ferry terminal, or other facility operated by Washington state ferries, in accordance with chapter 43.19 RCW except as follows:

(a) When the secretary of the department of transportation determines in writing that the use of invitation for bid is either not practicable or not advantageous to the state and it may be necessary to make competitive evaluations, including technical or performance evaluations among acceptable proposals to complete the contract award, a contract may be entered into by use of a competitive sealed proposals method, and a formal request for proposals solicitation. Such formal request for proposals solicitation shall include a functional description of the needs and requirements of the state and the significant factors.

(b) When purchases are made through a formal request for proposals solicitation the contract shall be awarded to the responsible proposer whose competitive sealed proposal is determined in writing to be the most advantageous to the state taking into consideration price and other evaluation factors set forth in the request for proposals. No significant factors may be used in evaluating a proposal that are not specified in the request for proposals. Factors that may be considered in evaluating proposals include but are not limited to: Price; maintainability; reliability; commonality; performance levels; life cycle cost if applicable under this section; cost of transportation or delivery; delivery schedule

offered; installation cost; cost of spare parts; availability of parts and service offered; and the following:

(i) The ability, capacity, and skill of the proposer to perform the contract or provide the service required;

(ii) The character, integrity, reputation, judgment, experience, and efficiency of the proposer;

(iii) Whether the proposer can perform the contract within the time specified;

(iv) The quality of performance of previous contracts or services;

(v) The previous and existing compliance by the proposer with laws relating to the contract or services;

(vi) Objective, measurable criteria defined in the request for proposal. These criteria may include but are not limited to items such as discounts, delivery costs, maintenance services costs, installation costs, and transportation costs; and

(vii) Such other information as may be secured having a bearing on the decision to award the contract.

(c) When purchases are made through a request for proposal process, proposals received shall be evaluated based on the evaluation factors set forth in the request for proposal. When issuing a request for proposal for the procurement of propulsion equipment or systems that include an engine, the request for proposal must specify the use of a life cycle cost analysis that includes an evaluation of fuel efficiency. When a life cycle cost analysis is used, the life cycle cost of a proposal shall be given at least the same relative importance as the initial price element specified in the request of proposal documents. The department may reject any and all proposals received. If the proposals are not rejected, the award shall be made to the proposer whose proposal is most advantageous to the department, considering price and the other evaluation factors set forth in the request for proposal.

Sec. 25. RCW 47.56.830 and 2008 c 122 s 5 are each amended to read as follows:

Any proposal for the establishment of eligible toll facilities shall consider the following policy guidelines:

(1) Overall direction. Washington should use tolling to encourage effective use of the transportation system and provide a source of transportation funding.

(2) When to use tolling. Tolling should be used when it can be demonstrated to contribute a significant portion of the cost of a project that cannot be funded solely with existing sources or optimize the performance of the transportation system. Such tolling should, in all cases, be fairly and equitably applied in the context of the statewide transportation system and not have significant adverse impacts through the diversion of traffic to other routes that cannot otherwise be reasonably mitigated. Such tolling should also consider relevant social equity, environmental, and economic issues, and should be directed at making progress toward the state's greenhouse gas reduction goals.

(3) Use of toll revenue. All revenue from an eligible toll facility must be used only to improve, preserve, manage, or operate the eligible toll facility on or in which the revenue is collected. Additionally, toll revenue should provide for and encourage the inclusion of recycled and reclaimed construction materials.

(4) Setting toll rates. Toll rates, which may include variable pricing, must be set to meet anticipated funding obligations. To the extent possible, the toll rates should be set to optimize system performance, recognizing necessary trade-offs to generate revenue.

(5) Duration of toll collection. Because transportation infrastructure projects have costs and benefits that extend well beyond those paid for by initial construction funding, tolls on future toll facilities may remain in place to fund additional capacity, capital rehabilitation, maintenance, management, and operations, and to optimize performance of the system.

(6) Representation on tolls. As per RCW 43.135.055, the legislature is the only authority that may set, establish, or impose tolls.

(7) Dedication of tolls. As referenced in RCW 47.56.030, tolls on a project must be spent on that project and may not be diverted elsewhere.

Sec. 26. RCW 47.56.790 and 2008 c 270 s 5 are each amended to read as follows:

The department shall work with the federal highways administration to determine the necessary actions for receiving federal authorization to toll the Interstate 90 floating bridge. The department must periodically report the status of those discussions to the governor and the joint transportation committee. Toll revenue imposed and collected on the Interstate 90 floating bridge must be used exclusively for toll facilities and capital improvements to the Interstate 90 floating bridge and may only be used for purposes consistent with the eighteenth amendment to the Washington Constitution.

MISCELLANEOUS

NEW SECTION. **Sec. 27.** The provisions of this act are to be liberally construed to effectuate the intent, policies, and purposes of this act.

NEW SECTION. **Sec. 28.** If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected. If the repeal or reduction of any tax or fee in this act is judicially held to impair any contract in existence as of the effective date of this section, the repeal of pledged revenues shall apply to any other contract, including novation, renewal, or refunding (in the case of bond contract).

NEW SECTION. **Sec. 29.** If a taxing district continues to collect tax revenue from a tax or fee that is repealed, reduced, or eliminated by this act, for any reason, including reliance on a

judicial determination that such taxes or fees may continue to be collected, and a court rules subsequently that the continued collection of tax or fee revenues was unlawful, taxpayers are entitled to a refund of the tax or fee paid plus eighteen percent annualized interest (calculated from the effective date of this measure to the date the refunds are sent) on the refund amount due to vehicle owners, plus litigation costs and attorneys' fees reasonably incurred in seeking refunds. For an authority under chapter 81.112 RCW referenced in section 11 of this act, the calculation will be from ninety days following the effective date of this act to the date the refunds are sent.

The people find that taxpayers deserve to be compensated when state or local governments continue to collect taxes or fees illegally.

NEW SECTION. **Sec. 30.** This act is called the "Vehicle Owners' Bill of Rights."

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